

House Bill 1317

By: Representatives Buckner of the 130<sup>th</sup>, Meadows of the 5<sup>th</sup>, Neal of the 1<sup>st</sup>, Gardner of the 57<sup>th</sup>, Stephenson of the 92<sup>nd</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

To amend Code Sections 49-4-142 and 49-5-273 of the Official Code of Georgia Annotated, relating to Medicaid and the PeachCare for Kids Program, respectively, so as to provide for legislative findings; to provide requirements for the Department of Community Health when health maintenance organizations terminate contracts with health care providers; to allow recipients of Medicaid and participants in the PeachCare for Kids Program to switch their enrollment to another health maintenance organization if such health care providers are terminated; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

The General Assembly finds that timely access to care is a key goal of the state's arrangements with health maintenance organizations (HMOs) for Medicaid and PeachCare for Kids members and that access for recipients and participants must not be impeded by contract disputes between HMOs and health care providers. The General Assembly has determined that a recipient or participant must be allowed to enroll immediately in a different HMO when an HMO terminates a provider's contract if such termination would interrupt the member's relationship with a primary care provider or a dentist or with a specialist who is providing a course of treatment. The General Assembly further finds that the state continuing to pay an HMO a monthly capitation rate for a patient who lacks meaningful access to care unjustly enriches the HMO at the expense of taxpayers.

**SECTION 2.**

Code Section 49-4-142 of the Official Code of Georgia Annotated, relating to Medicaid, is amended by adding a new subsection to read, as follows:

"(d) In the event that a health maintenance organization with which the department has contracted to provide health care services to persons pursuant to this article proposes to terminate a contract with a provider of medical assistance, the department shall:

(1) Allow any recipient of medical assistance who is enrolled through such health maintenance organization and who uses the provider with which the health maintenance organization proposes to terminate its contract a reasonable amount of time to switch his or her enrollment to a different health maintenance organization which provides health care services to persons pursuant to this article regardless of when such recipient's next annual opportunity to select a health maintenance organization will occur; and

(2) Provide or arrange for adequate notice to the recipient of medical assistance, including, but not limited to, information on which other health maintenance organizations have a contract with such provider, an explanation of how to switch enrollment, and specific contact information for a person designated to process requested changes."

### SECTION 3.

Code Section 49-5-273 of the Official Code of Georgia Annotated, relating to the PeachCare for Kids Program, is amended by revising subsection (m) as follows:

"(m) Nothing in this article shall be interpreted in a manner so as to preclude the department from contracting with licensed health maintenance organizations (HMO) or provider sponsored health care corporations (PSHCC) for coverage of program services and eligible children; provided, however, that such contracts shall require payment of premiums and copayments in a manner consistent with this article. The department may require enrollment in a health maintenance organization (HMO) or provider sponsored health care corporation (PSHCC) as a condition of receiving coverage under the program. Notwithstanding the foregoing, in the event that a health maintenance organization with which the department has contracted to provide health care services to persons under PeachCare proposes to terminate a contract with a health care provider providing services to PeachCare participants, the department shall:

(1) Allow any participant in PeachCare who is enrolled through such health maintenance organization and who uses the provider with which the health maintenance organization proposes to terminate its contract a reasonable amount of time to switch his or her enrollment to a different health maintenance organization which provides health care services to persons under PeachCare regardless of when such participant's next annual opportunity to select a health maintenance organization will occur; and

(2) Provide or arrange for adequate notice to the participant, including, but not limited to, information on which other health maintenance organizations have a contract with such provider, an explanation of how to switch enrollment, and specific contact information for a person designated to process requested changes."

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**SECTION 4.**

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